DoD Item Reduction Program

DSCC-VSC

Item Reduction (IR)

- The Item Reduction Program is defined by:
  - Title 10 of the United States Code “Cataloging and Standardization Act”
  - DOD 4120.24-M “Defense Standardization Program Policies and Procedures”, Appendix 8 “Item Reduction Program”

Item Reduction

continued

- Item Reduction Studies (IRSs) are intended to reduce to the highest practical degree possible the number of sizes and kinds of items that are similar (considering form, fit and function)
- This concept supports where one item can satisfy the requirements of several items (e.g., considering: material finish, material type, size of items, head type, etc.)

Item Reduction
continued

- Expedited Item Reduction Study List (EIRSL) – An item reduction study listing containing items where logistics support is jeopardized.
- Proposed Item Reduction Study List (PIRSL) – An item reduction study listing containing items that are grouped because their form, fit, and function allows one or several items to be replaced by a single item.

Item Reduction
continued

- The Item Reduction Activity (IRA), as defined in SD-1, shall:
  - Determine the cost benefit of conducting an IRS.
  - Develop IRS.
  - Coordinate IRS with the Custodians, Using Activities, and GSA.
  - Resolve comments.
  - Approve IRS after resolving comments.
  - Submit Item Standardization Code changes to the Federal Logistics Information Service (FLIS).
  - Print and distribute approved IRS (CIRL).

IR Tools

- DLA uses several automated and manual tools in developing & conducting IRS:
  - Item Reduction Web site Capability (IRWSC)
  - Item Standardization Application-On-Line (ISA-OL)
  - DLA's SAMMS
  - FLIS
  - JEDMICS (Technical Drawings)
  - FEDLOG
  - Commercial Research capability:
    - Haystack
    - Commercial hardcopy catalogs

IR Coordination

- Resolving Nonconcurrences - The IRA shall resolve nonconcurrences in one of three ways:
  - The IRA may accept the nonconcurrence
  - The IRA may reject the the nonconcurrence with justification, allowing the submitter at least 30 working days to rebut the rejection
  - If no reply is received in 30 working days, the IRA shall contact the custodian
  - If the custodian is unsuccessful in getting a reply the service DEPSO will be contacted
  - Items shall not be standardized by default

IR Issues

- Timeliness of responses are particularly important for EIRSLs
- EIRSLs are often the result of a backorder, and the answer may be the solution to that backorder
- Delays in EIRSLs may result in readiness issues for the services

IR Results

- Effectively, the Using Services/Agencies have identified that an NSN they currently use in their equipment can be supported with another NSN. This replacement has been coordinated with all recorded users of the NSN being replaced
- The IRS results in agreed to standardization relationships being recorded in FLIS

IR Benefits

- The IR program benefits DLA and our customers in many ways:
  - Increases the use of standard parts
  - Decreases the number of redundant NSNs
  - Decreases backorders and DMS situations
  - Increases interoperability
  - Decreases cost

Cost Avoidance

- The benefits of Item Reduction are measured by cost avoidance
- Cost avoidance attempts to measure the cost that is saved due to the use of these programs

Cost Avoidance
continued

- Cost avoidance is based on the costs associated with maintaining standard part numbers instead of non-standard ones
- This cost avoidance impacts DLA as well as the military services and contractors

Cost Avoidance
continued

- Cost avoidance takes many aspects of total ownership into account
  - Cost of additional NSNs
    - Paperwork costs
    - Tracking costs
    - Bins
  - Larger buys of fewer unique items
  - Less DMS problems